

SENATOR WICKERSHAM: ...the explanation became that the PERB submitted to the actuary an incorrect valuation of the equities that were held in the Retirement System as of the end of the fiscal year, as of July 1. That understatement of values was quite substantial and, because the values in the system were understated, it would have essentially asked us to make greater contributions in order to maintain the funds at a, what we consider to be a fully funded status. It's usually about a little over 90 percent. But because of that run-up in the value of securities, we're not obligated to make additional contributions to maintain the plans...

SENATOR COORDSEN: Time.

SENATOR WICKERSHAM: ...in what are...

SENATOR COORDSEN: Senator Wehrbein.

SENATOR WEHRBEIN: I yield my time to Senator Wickersham please.

SENATOR COORDSEN: Senator Wickersham.

SENATOR WICKERSHAM: ...what we consider to be a fully funded status. The...what happened was that DAS Accounting gave to the State Treasurer's Office a summary of values of the equities, but that value was subject to adjustment. DAS Accounting had no idea that the State Treasurer's Office was going to turn around and give that report to PERB, and that PERB, in turn, would send that to the actuary and would use those numbers in the valuation of the system. That happened in July. In August, DAS Accounting updated the valuation of its securities. That, again, was given to the State Treasurer's Office, and again given to PERB. PERB did not give the updated information to the actuary.

SENATOR COORDSEN: Senator Chambers.

SENATOR CHAMBERS: It's your time, could I ask you a question?

SENATOR WICKERSHAM: Yes.

SENATOR CHAMBERS: Has it been determined why they did not give those updated figures to the actuary?